

other two Portfolios, the Hudson Trust Aggressive Stock Portfolio had an exceptional return of 86.87% in 1991, and in the other case the VIP Trusts Overseas Portfolio experienced a significant loss in 1992 (10.72%) when compared to the Hudson Trust Global Portfolio's return (0.50%). Applicants note further that, as of December 31, 1994, the Hudson Trust Contract owners only had \$68,285 in the Hudson Trust Aggressive Stock Portfolio and \$154,454 in the Hudson Trust Overseas Portfolio. Applicants submit that this demonstrates that performance is comparable or better in the VIP Trusts Portfolios as compared to the Hudson Trust.

11. Applicants state that the Substitution would permit a Contract owner to remain in the VIP Trusts Portfolios or transfer Contract account values to any other available Investment Division or to the Guaranteed Interest Division without cost and without such transfer counting as a transfer for purposes of assessing a transfer fee. Applicants represent that the notice of Substitution provided to Contract owners will inform them of their rights. Accordingly, Applicants submit that the terms of the proposed Substitution are consistent with the purpose underlying Section 26(b) of preventing investors from being forced to forfeit a sales load already deducted or perhaps to incur additional sales loads upon redemption and purchase of another investment company security.

12. Applicants represent that the Substitution will not alter or affect the Contract. All the terms and conditions of the Contract are the same after the Substitution as before, including surrender and transfer rights. Applicants also represent that after the Substitution, insurance benefits to Contract owners and the contractual obligations of SAFECO are exactly the same as before the Substitution. Contract owners will continue to look to SAFECO with regard to their rights under the Contracts. Applicants further represent that no surrender, transfer or other charge will be imposed at the time of the Substitution or for the first transfer made during the 30 day period following mailing of the confirmation and notice.

13. Applicants note that the Commission has approved a number of substitutions where contract owners assets were reinvested in large funds or investment portfolios in order to mitigate the adverse impact of operating expenses on very small asset bases. Such substitutions have been permitted even where the investment objectives, policies and restrictions of the two

portfolios involved were not nearly as similar as in this application, including permitting the substitution of money market portfolio shares for the shares of zero coupon bond, real estate securities and bond portfolios. Further, the Commission also has permitted a substitution which represented a negotiated settlement of a dispute between the parties.

14. Applicants submit that Section 26(b) was designed to forestall the ability of a depositor to present holders of interests in a unit investment trust with situations in which a holder's only choice would be to continue an investment in an unsuitable, unbargained for underlying security, or to elect a costly, and, in effect, forced redemption. Applicants submit that the proposed Substitution does not present this type of situation. Moreover, under the Contracts, each Contract owner now has the ability to make transfers among a range of underlying investments, and Contract owners will have an ever greater choice of investment options after the Substitution. Further, each Contract owner can make the proposed Substitution temporary, without cost or adverse tax consequences, by transferring the Contract account value to any other Investment Division.

Conditions

Applicants consent to the following terms of and conditions to the issuance of an order granting the requested exemptions:

1. All administrative or other costs of the transactions, except brokerage fees, relating to the Substitution will be borne by SAFECO. SAFECO will assume all expenses and transaction costs (including, among others, legal and accounting fees) relating to the Substitution in a manner that attributes all transaction costs to SAFECO.

2. SAFECO will mail a notice to the affected Contract owners which will include a supplement to the Contract prospectus and a prospectus for the VIP Trusts. The notice and the supplement will describe the proposed Substitution.

3. Upon effecting the Substitution, SAFECO will mail a notice and confirmation to each affected Contract owner informing the Contract owner that the Substitution has been completed and the Contract account value involved. Such confirmation and notice will be mailed to Contract owners within five (5) days after the Substitution.

4. SAFECO will provide that, during a period of 30 days after the date of the mailing of the notice and confirmation of Substitution to affected Contract owners (the Free Transfer Period), the

affected Contract owners will have the right to make a one-time transfer of Contract account values (at the value next computed after SAFECO receives the request for transfer) to any other Investment Division and to the Guaranteed Interest Division without charge and without the transfer counting as one of the free transfers permitted in a Contract year. Applicants represent that this 30-day period is sufficient time for Contract owners to determine if they wish to be invested in another Investment Division or the Guaranteed Interest Division.

5. The Substitution will, in all cases, be at net asset value of the respective shares of the affected Portfolios. All transfers of Contract account values will be affected without the imposition of any transfer or other charge.

6. The Substitution in no way will alter the insurance benefits to the Contract owners or the contractual obligations of SAFECO.

7. The Substitution in no way will alter the tax benefits to Contract owners.

8. Contract owners may choose to withdraw amounts credited to them following the Substitution under conditions that currently exist under the Contracts, subject to any applicable deferred sales charge.

9. The Substitution is expected to confer certain economic benefits on Contract owners by virtue of the increase in investment options, a reduction in overall administrative costs thus helping to keep current cost of insurance rates from increasing, and because of increased support from the Manager of the VIP Trusts by way of consumer information.

Conclusion

Applicants submit that, for the reasons and upon the facts set forth above, the exemptive relief requested under Section 26(b) of the 1940 Act is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the 1940 Act, and satisfies the purposes underlying Section 26(b) of the 1940 Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95-30493 Filed 12-13-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36566; File No. SR-Amex-95-46]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange, Inc., Relating to the Exchange's Arbitration Rules

December 8, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on November 28, 1995, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is proposing to amend Amex Rules 600 (Arbitration), 606 (Initiation of Proceedings), 607 (General Provision Governing Prehearing Proceeding), 620 (Schedule of Fees), and add a new rule, 624 (Failure to Honor Award). The text of the proposed rule change is available at the Office of the Secretary, the Amex, and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange is proposing to amend its rules and procedures governing the administration of arbitration. These amendments codify modifications to the Uniform Code of Arbitration already

approved by the Securities Industry Conference on Arbitration.

The Exchange is proposing to amend Amex Rule 600 to clarify that all class action claims, including claims involving members, allied members, member organizations, and associated persons, are ineligible for submission to the Exchange's arbitration facility.

Currently, Amex Rule 606(c)(6) provides that decisions concerning the right to arbitrate are made by the Director of Hearings, subject to appeal to the Exchange's Board of Governors. In order to conform the Exchange's rules with the Uniform Code of Arbitration, adopted by the Amex in 1980, the Exchange proposes to delete Amex Rule 606(c)(6). The Exchange believes decisions concerning the right to arbitrate a claim should be made by the panel of arbitrators selected to hear the matter.

The Exchange's proposed amendment to Amex Rule 607(c) would allow parties to provide a list of documents they intend to present at the hearing instead of exchanging copies of documents that have previously been produced to the other side. This would provide for more efficient prehearing exchanges by not requiring the parties to again exchange those documents that have previously been produced. Another aspect of this amendment would require the list identifying witnesses include the address and business affiliation of the witnesses listed. This would allow the parties to receive advance notice as to the background of witnesses and the location of nonparty witnesses. The final aspect of the proposed amendment to Amex Rule 607(c) would require prehearing exchanges to occur twenty calendar days in advance of the hearing, instead of ten days in advance as is presently required. This would serve to avoid surprise and provide the parties with time to organize and present their cases in an efficient manner.

The Exchange is proposing to amend Amex Rule 620 to provide that the filing fee for an industry party shall be \$500 when the dispute does not specify a money claim. This would unify the filing fee for all industry claims at \$500.

The Exchange is proposing to add a new rule, Amex Rule 624. This new rule would provide that the failure of a member firm or registered representative to honor an arbitration award, including those issued at another self-regulatory organization or by the American Arbitration Association, would subject the firm or registered representative to disciplinary proceedings at the Exchange. This would recognize the enforceability of

arbitration awards issued by other self-regulatory organizations and by the American Arbitration Association.

2. Statutory Basis

The proposed rule changes are consistent with Section 6(b)² of the Act in general and furthers the objectives of Section 6(b)³ in particular in that they are designed to promote just and equitable principles of trade and to protect investors and the public interest by improving the administration of an impartial forum for the resolution of disputes relating to the securities industry.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes the proposed rule change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has neither solicited nor received written comments.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the publication of this notice in the Federal Register or within such other period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve the proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78f(b).

³ 15 U.S.C. 78f(b)(5).

public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street NW., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of the American Stock Exchange. All submissions should refer to File No. SR-Amex-95-46 and should be submitted by January 4, 1996.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁴

[FR Doc. 95-30492 Filed 12-13-95; 8:45 am]

BILLING CODE 8010-01-M

[File No. 500-1]

In the Matter of Environmental Chemicals Group, Inc.; Order Suspending Trading

December 12, 1995.

It appears to the Securities and Exchange Commission that questions have been raised about the adequacy and accuracy of publicly-disseminated information about Environmental Chemicals Group, Inc. concerning, among other things, its product lines, business prospects and relationships, and the assets recorded on its financial statements.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of Environmental Chemicals Group, Inc.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of Environmental Chemicals Group, Inc. is suspended for the period commencing 9:00 a.m. (EST) on December 12, 1995 and terminating on 11:59 p.m. (EST) on December 26, 1995.

By the Commission.

Jonathan G. Katz,
Secretary.

[FR Doc. 95-30563 Filed 12-12-95; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #2811; Amendment #2]

U.S. Territory of the Virgin Islands; Declaration of Disaster Loan Area

The above numbered Declaration is hereby amended, effective November 14, 1995 to extend the termination date for filing applications for physical

damage until December 15, 1995. The termination date for economic injury remains the same, June 17, 1995, at the previously designated location.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: December 7, 1995.

Bernard Kulik,

Associate Administrator for Disaster Assistance.

[FR Doc. 95-30448 Filed 12-13-95; 8:45 am]

BILLING CODE 8025-01-P

[Declaration of Disaster Loan Area #2813; Amendment #2]

Florida; Declaration of Disaster Loan Area

The above numbered Declaration is hereby amended on November 14 and November 28, 1995, respectively, to close the incident period for Lee and Collier Counties effective October 31, 1995; and to extend the deadline for filing applications for physical damage until December 26, 1995. All other information remains the same; i.e., the termination date for filing applications for economic injury, the deadline is July 5, 1996.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: December 7, 1995.

Bernard Kulik,

Associate Administrator for Disaster Assistance.

[FR Doc. 95-30447 Filed 12-13-95; 8:45 am]

BILLING CODE 8025-01-P

DEPARTMENT OF STATE

[Public Notice No. 2303]

Shipping Coordinating Committee, Subcommittee on Safety of Life at Sea, Working Group on Radiocommunications and Search and Rescue; Notice of Meetings

The Working Group on Radiocommunications and Search and Rescue of the Subcommittee on Safety of Life at Sea will conduct open meetings at 9:30 am on Thursday, January 18, and Wednesday, February 14, 1996. These meetings will be held in the Department of Transportation Headquarters Building, 400 Seventh Street SW., Washington, DC 20950. The purpose of these meetings is to discuss the papers received and the draft U.S. positions in preparation for the 1st Session of the International Maritime Organization (IMO) Subcommittee on Radiocommunications and Search and Rescue which is scheduled for February

19, 1996, at the IMO headquarters in London, England.

Among other things, the items of particular interest are:

—The implementation of the Global Maritime Distress and Safety Systems (GMDSS).

—Maritime Search and Rescue matters.

Further information, including meeting agendas, minutes, and input papers, can be obtained from the Coast Guard Navigation Information Center computer bulletin board, accessible by modem by dialing: (703) 313-5910. The computer is also accessible through Internet by entering: "http://www.navcen.uscg.mil."

Members of the public may attend these meetings up to the seating capacity of the rooms. Interested persons may seek information, including meeting room numbers, by writing: Mr. Ronald J. Grandmaison, U.S. Coast Guard Headquarters, Commandant (G-TTM), Room 6306, 2100 Second Street SW., Washington, DC 20593-0001, by calling: (202) 267-1389, or by sending Internet electronic mail to: cgcomms/g-t@cgsmtg.comdt.uscg.mil.

Dated: December 6, 1995.

Charles A. Mast,

Chairman, Shipping Coordinating Committee.

[FR Doc. 95-30473 Filed 12-13-95; 8:45 am]

BILLING CODE 4710-07-M

STATE JUSTICE INSTITUTE

Grant Guideline

AGENCY: State Justice Institute.

ACTION: Final Grant Guideline.

SUMMARY: This Guideline sets forth the administrative, programmatic, and financial requirements attendant to Fiscal Year 1996 State Justice Institute grants, cooperative agreements, and contracts.

EFFECTIVE DATE: December 14, 1995.

FOR FURTHER INFORMATION CONTACT: David I. Tevelin, Executive Director, or Richard Van Duizend, Deputy Director, State Justice Institute, 1650 King St. (Suite 600), Alexandria, VA 22314, (703) 684-6100.

SUPPLEMENTARY INFORMATION: Pursuant to the State Justice Institute Act of 1984, 42 U.S.C. 10701, et seq., as amended, the Institute is authorized to award grants, cooperative agreements, and contracts to State and local courts, nonprofit organizations, and others for the purpose of improving the administration of justice in the State courts of the United States.

⁴ 17 C.F.R. 200.30-3(a)(912).